

ORIGINAL

CITYNET HOLDING, LLC

PROFIT LOSS

ACCURAL BASIS

JANUARY 1 THROUGH SEPTEMBER 1, 2003



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Ordinary Income/Expense
Income

Management Fee Revenue	\$	10,000.00
Reimbursed Expenses	\$	50,000.00
Services	\$	109,633.00
Total Income	\$	169,633.00

Expense

Bank Service Charges	\$	98.00
Cleaning	\$	430.00
Dues/Memberships	\$	381.15
Equipment Expense	\$	37,934.56
Ethernet	\$	40,465.77

Insurance:

Dental Insurance	\$	2,014.50
Health Insurance	\$	106,290.67
Liability Insurance	\$	55,956.54
Life Insurance	\$	3,440.00
Workers Comp	\$	3,708.57

Total Insurance	\$	171,410.28
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Interest Expense	\$	370,997.36
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Licenses/Permits/Fees	\$	35,319.62
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Local Number Portability Charge	\$	1,116.13
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Management Fee Expense	\$	152,430.00
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Miscellaneous	\$	34,238.39
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Office Supplies	\$	1,408.67
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Payroll Expenses

Contracted Service	\$	64,475.95
FUTA	\$	1,210.00
Medicare	\$	11,585.84
Payroll Taxes	\$	4,629.76
Processing Fee	\$	2,397.95
Salaries and Wages	\$	915,617.12
Social Security	\$	48,642.91
SUTA	\$	4,940.99
Training	\$	1,720.00

Total Payroll Expenses	\$	1,055,220.52
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Postage and Delivery	\$	3,388.20
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Professional Development	\$	65.00
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Professional Fees

Accounting	\$	38,375.55
Consulting	\$	1,600.00
Contracting Services	\$	4,698.33
Legal Fees	\$	203,443.46
Locating Services	\$	67,500.47
Reporting Services	\$	1,712.42

Total Professional Fees	\$	317,330.23
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Arizona Corporation Commission

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Rent		
Association Dues	\$ 21.90	
Base Rent	\$ 984,469.37	
CAM Reserve Charge	\$ 16,914.00	
Operating Expenses	\$ 99,174.01	
Real Estate Tax	\$ 22,086.00	
Rent - Other	\$ 5,921.72	
Sign Charge	\$ 6,000.00	
Tax - Operating Expense	\$ 878.29	
Tax - Rent	\$ 6,951.07	
Total Rent		\$ 1,142,416.36
Taxes		
Property - Gateway Columbus	\$ 1,979.04	
Total Taxes		\$ 1,979.04
Travel & Ent		
Airfare	\$ 2,754.45	
Automobile Rental	\$ 956.06	
Entertainment	\$ 2,365.59	
Gasoline and Oil	\$ 2,219.98	
Lodging	\$ 2,029.83	
Meals	\$ 520.65	
Parking & Tolls	\$ 234.05	
Taxi/Bus/Subway	\$ 6.00	
Travel	\$ 1,390.85	
Total Travel & Ent		\$ 12,477.46
Utilities		
Cell Phone	\$ 4,302.45	
Electric	\$ 154,352.78	
Fire Protection System	\$ 757.76	
Garbage	\$ 192.28	
Gas	\$ 42.03	
Internet	\$ 148.33	
SBI ACCESS	\$ 853.10	
Security	\$ 601.56	
Telephone	\$ 12,459.63	
Telephone/DSL	\$ 48,560.57	
Waste Disposal	\$ 369.91	
Water/Sewage	\$ 822.24	
Total Utilities		\$ 223,462.64
Vehicle Maintenance		\$ 10,564.30
Total Expense		\$ 3,613,313.68
Net Ordinary Income		\$ (3,443,680.68)

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Other Income/Expense

Other Income

Interest Income

Total Other Income

\$ 14,009.07

\$ 14,009.07

Net Other Income

\$ 14,009.07

Net Income

\$ (3,429,671.61)